

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Transmittal of)	
HAWAIIAN ELECTRIC COMPANY, INC.,)	TRANSMITTAL NO. 18-01
For Approval to Modify the Revenue)	(Decoupling)
Balancing Account Rate Adjustment in)	
its Revenue Balancing Account)	
Provision Tariff.)	
_____)	

In the Matter of the Transmittal of)	
HAWAII ELECTRIC LIGHT COMPANY, INC.,)	TRANSMITTAL NO. 18-02
For Approval to Modify the Revenue)	(Decoupling)
Balancing Account Rate Adjustment in)	
its Revenue Balancing Account)	
Provision Tariff.)	
_____)	

In the Matter of the Transmittal of)	
MAUI ELECTRIC COMPANY, LIMITED,)	TRANSMITTAL NO. 18-03
For Approval to Modify the Revenue)	(Decoupling)
Balancing Account Rate Adjustment in)	CONSOLIDATED
its Revenue Balancing Account)	(NON-DOCKETED)
Provision Tariff.)	
_____)	

ORDER NO. 35493

APPROVING TARIFF TRANSMITTALS AS AMENDED

PUBLIC UTILITIES
COMMISSION

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FILED

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Transmittal of)	
)	
HAWAIIAN ELECTRIC COMPANY, INC.,)	Transmittal No. 18-01
)	(Decoupling)
For Approval to Modify the Revenue)	
Balancing Account Rate Adjustment in)	
its Revenue Balancing Account)	
Provision Tariff.)	
_____)	

In the Matter of the Transmittal of)	
)	
HAWAII ELECTRIC LIGHT COMPANY, INC.,)	Transmittal No. 18-02
)	(Decoupling)
For Approval to Modify the Revenue)	
Balancing Account Rate Adjustment in)	
its Revenue Balancing Account)	
Provision Tariff.)	
_____)	

In the Matter of the Transmittal of)	
)	
MAUI ELECTRIC COMPANY, LIMITED,)	Transmittal No. 18-03
)	(Decoupling)
For Approval to Modify the Revenue)	
Balancing Account Rate Adjustment in)	Consolidated
its Revenue Balancing Account)	(Non-Docketed)
Provision Tariff.)	
_____)	Order No. 35493

APPROVING TARIFF TRANSMITTALS AS AMENDED

By this Order, the commission approves HAWAIIAN ELECTRIC COMPANY, INC's ("HECO") Transmittal No. 18-01, as amended by HECO's revised Transmittal No. 18-01, filed on May 29, 2018, and HAWAII ELECTRIC LIGHT COMPANY, INC's ("HELCO")

Transmittal No. 18-02 and MAUI ELECTRIC COMPANY, LTD. ("MECO")¹
Transmittal No. 18-03, as amended by the Companies' Response
to the Consumer Advocate's Statement of Position, including
the revised RBA Rate Adjustments, target revenues, and tariff
sheets provided therein, as set forth herein. The commission
approves the proposed RAM Tariff modifications and the
additions to the RBA Tariffs that were proposed in accordance with
Order No. 35372 in Docket No. 2016-0328, as discussed below.

The commission also directs MECO to report to the
commission, by January 4, 2019, whether the Manele Bay CHP unit is,
in fact, fully restored to service, used, and useful as of
December 31, 2018. If the CHP unit is not fully in service on
December 31, 2018, revenue recovery allowed for the CHP unit for
the 2018 RAM period is subject to adjustment and/or refund, as shall
be determined and implemented in the disposition of MECO's 2019
RBA Review Transmittal.

A.

Background

HECO is the franchised provider of electric utility
service on the island of Oahu, HELCO is the franchised provider of

¹HECO, HELCO, and MECO are collectively referred to as the
"HECO Companies" or the "Companies."

electric utility service on the island of Hawaii, and MECO is the franchised provider of electric utility service on the islands of Lanai, Maui, and Molokai.

On March 29, 2018, HECO, HELCO, and MECO each filed a transmittal - Transmittal Nos. 18-01, 18-02, and 18-03, respectively, consistent with the March 31st Annual Evaluation Date set forth in each electric utility's RBA Provision ("RBA Tariff or Tariffs").

Each transmittal represents HECO's, HELCO's, and MECO's respective RBA Review Transmittal, due by March 31st of each year. The end-result each year is ordinarily a consolidated commission Order, which approves an updated RBA Rate Adjustment, in cents per kilowatt-hour, and updated effective Target Revenue amounts, for HECO, HELCO, and MECO, effective from June 1 through May 31, for the applicable calendar year RAM Period.²

The Companies served copies of their non-docketed transmittals upon the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, DIVISION OF CONSUMER ADVOCACY ("Consumer Advocate").

²See, e.g., In re Hawaiian Elec. Co., Inc., Hawaii Elec. Light Co., Inc., and Maui Elec. Co., Ltd., Transmittal Nos. 17-02, 17-03, and 17-04 (Consolidated), Order No. 34581, filed on May 31, 2017; and In re Hawaiian Elec. Co., Inc., Hawaii Elec. Light Co., Inc., and Maui Elec. Co., Ltd., Transmittal Nos. 16-01, 16-02, and 16-03 (Consolidated), Order No. 33724, filed on May 24, 2016.

The Consumer Advocate filed its Statement of Position on May 11, 2018, "offering [] comments for the [c]ommission's consideration based upon the review that [it] has been able to conduct thus far of the decoupling rate adjustment filings" ³

On May 21, 2018, the HECO Companies filed their Response to the Division of Consumer Advocacy's Statement of Position, which included revised tariff sheets for all three Companies showing proposed target revenues and RBA rate adjustments, and revised supporting documentation for HELCO's Transmittal No. 18-02 and MECO's Transmittal No. 18-03. ⁴

On May 24, 2018, the commission issued Order No. 35488, (1) consolidating HECO's Transmittal No. 18-01, HELCO's Transmittal No. 18-02, and MECO's Transmittal No. 18-03, filed on March 29, 2018; (2) directing HECO to submit, on or before May 29, 2018, an amended Transmittal No. 18-01 filing that included two sets of complementary supporting exhibits, the first set including recovery for the SGS Project and the second set excluding recovery for the SGS Project; (3) directing HECO to include

³"Division of Consumer Advocacy's Statement of Position; Attachments 1 & 2; and Certificate of Service," filed on May 11, 2018 ("CA SOP").

⁴"Hawaiian Electric Companies' Response to the Division of Consumer Advocacy's Statement of Position; Attachments 1-4, 4A, 5, 6, & 6A," filed on May 21, 2018 ("Companies' Response").

corrections of any known errors in its amended Transmittal No. 18-01 filing, including any acknowledged errors in statements of labor escalation rates or Accumulated Deferred Income Tax balances, as asserted in the Consumer Advocate's Statement of Position; and (4) directing the Companies to file amended versions of the new tariff sheets with citations that identify the sources of the amounts shown, on or before May 29, 2018.

On May 29, 2018, HECO filed an Amended HECO Transmittal No. 18-01 and amended tariff sheets for all three Companies.⁵

II.

Discussion

A.

Proposed Revenue Adjustments

No necessary adjustments to the calculation, statement or reconciliation of the December 31, 2017 RBA balances as submitted in the March 29, 2018 Transmittals were identified in the CA SOP⁶ or by the commission.

⁵"Hawaiian Electric Companies' Amended Transmittal No. 18-01 and Amended Tariff Sheets, including Attachments 1, 1A, 2, 2A, 3, 3A, 4, and 4A; and Certificate of Service," filed on May 29, 2018 ("May 29 Filing").

⁶See CA SOP at 13 (stating "at this time [the Consumer Advocate] has identified no needed adjustments to the December 31, 2017 recorded balances as submitted by the Hawaiian Electric Companies.")

The commission has not ordered any Major Project or Baseline Project credits for any of the three Companies.

There were several issues identified, and several amendments made regarding the proposed RAM Revenue Adjustments. These issues and amendments are discussed individually, below.

1.

RAM Revenue Adjustments

a.

HECO: Schofield Generating Station ("SGS"), and
Correction of Known Errors in Transmittal No. 18-01

HECO and the Consumer Advocate agree that the amount of the 2018 RAM Revenue Adjustment for HECO is limited by, and therefore is determined by, the RAM Cap, and have no disagreement regarding the amounts of resulting Target Revenues and RBA Rate Adjustment.⁷ However, by Order No. 35488 ("Order No. 35488"), filed on May 24, 2018, after noting the disagreement between the Consumer Advocate and HECO regarding whether recovery for the SGS Project should be included in the amount of RAM Revenue Adjustment that would become effective if not otherwise limited by the RAM Cap, the commission ordered HECO to file an amended Transmittal No. 18-01 that included two sets of

⁷See Companies' Response at 1; CA SOP at 16.

complementary supporting exhibits, one including recovery for the SGS Project (as provided in the schedules currently attached to Transmittal No. 18-01),⁸ and one excluding recovery for the SGS Project (as in the response to Informal CA-IR-33, provided as Attachment 1 to the Consumer Advocate's Statement of Position).⁹ The commission directed the Companies to do so after noting the importance of maintaining an accurate record of the assumptions and calculations used to support the determinations required by the RBA and RAM Tariffs.¹⁰

The commission recognizes that "Hawaiian Electric still remains subject to the 2018 RAM Cap[,] and "[t]herefore, no changes are required to the proposed Hawaiian Electric 2018 RBA Rate Adjustment, filed on March 29, 2018."¹¹

In Order No. 35488, the commission also directed HECO to include corrections of any known errors when it filed its amended Transmittal No. 18-01 filing, including any acknowledged errors in statements of labor escalation rates or Accumulated Deferred Income Tax balances, as asserted in the Consumer Advocate's

⁸Provided in HECO's May 29 Filing, Attachment 1A.

⁹Provided in HECO's May 29 Filing, Attachment 1.

¹⁰Order No. 35488 at 6.

¹¹May 29 Filing at 2 (including a table showing the "RAM Revenue Adjustment Under Existing Tariffs and Procedures" and the "RAM Cap").

Statement of Position.¹² HECO made these corrections in both Attachment 1 and Attachment 1A (the supporting decoupling calculation workbooks) provided in its May 29 Filing.¹³

b.

MECO: Exogenous Tax Act Adjustments

In Docket No. 2016-0328, HECO's Test Year 2017 Rate Case, the Parties' Stipulated Settlement on Remaining Issues provided that MECO would treat the 2017 Tax Cuts and Jobs Act ("2017 Tax Act")¹⁴ as Exogenous Tax Changes in MECO's 2018 decoupling RAM rate calculations, later submitted as Transmittal No. 18-03.¹⁵ In Transmittal No. 18-03, MECO states

Because an interim decision and order has not yet been issued, determining the impact of the Tax Act on Maui Electric's currently effective rates would require applying the new corporate tax rates to the 2012 test year revenue requirement. Exhibit 2 of [Transmittal No. 18-03] provides the results of operations for the Maui Electric 2012 test year recalculated according to the reduction in corporate income tax rate from 35% to 21% and the

¹²See CA SOP at 9, footnote 18, citing the Companies' responses to information requests CA-IR-21 and CA-IR-35.

¹³May 29 Filing, Attachments 1 and 1A.

¹⁴Public Law No. 115-97, An Act to Provide for Reconciliation Pursuant to Titles II and V of the Concurrent Resolution on the Budget for Fiscal Year 2018.

¹⁵Docket No. 2016-0328, In re Hawaiian Elec. Co., Inc., "Parties' Stipulated Settlement on Remaining Issues, Exhibits 1 and 2A-2E, and Attachment 1; and Certificate of Service," at Exhibit 1 at 22-23, filed on March 5, 2018.

exclusion of the domestic production activities deduction ("DPAD"), as set forth in the Tax Act.¹⁶

MECO states that when comparing MECO's 2012 test year results of operations with the lower 2017 Tax Act corporate income tax rate against the MECO final 2012 test year results of operations approved in Docket No. 2011-0092, by Order No. 31352, it shows that MECO's currently effective rates would decrease by \$5,907,000.¹⁷ MECO states that in order to provide customers with the Tax Act reductions back to January 1, 2018, the Company used the \$5,907,000 reduction amount to calculate the Daily Revenue Impact multiplied by 151 days (i.e., the number of days from January 1 through May 31, 2018).¹⁸ As noted on Schedule A, Note (3), the 2017 Tax Reform Act Adjustment for the period January 1, 2018 through May 31, 2018 is (\$2,443,718).¹⁹

The Consumer Advocate agrees that the "\$5.9 million downward adjustment to the 2012 test year revenue requirements calculated [in Exhibit 1 of Transmittal No. 18-03] reasonably

¹⁶Transmittal No. 18-03 at 18.

¹⁷Transmittal No. 18-03 at 18.

¹⁸ Transmittal No. 18-03 at 18. MECO states that this method is consistent with the formula used to calculate the Daily Revenue Impact of the Tax Act, as provided in Exhibit 1, page 22, of the Parties Stipulated Settlement on Remaining Issues jointly filed by Hawaiian Electric and the Consumer Advocate on March 5, 2018.

¹⁹ $\$5,907,000 / 365 \text{ days} = \$16,183.56/\text{day}$, rounded to \$16,183;
 $\$16,183 \times 151 \text{ days} = \$2,443,718$.

quantify the impact of the Tax Act federal income tax rate change and loss of the [DPAD] in that prior test year[,]” and “concur[s] in the Company’s proposal to reduce target revenues on Schedule B1 by this amount prospectively, starting in June of 2018.”²⁰ However, the Consumer Advocate states that “the Company’s proposed daily pro-rate of this amount does not fully quantify the value of the Tax Act” during the period of January 1 through May 31, 2018, which it refers to as the “stub” period.²¹ The Consumer Advocate states that during the stub period, “[MECO’s] approved revenue requirement and target revenues included not only the base rate revenues established in Docket No. 2011-0092, but also included the cumulative RAM revenue increase in effect in those months[,]” meaning that “[t]he reduced federal income tax rate benefit must also be applied to the RAM element of approved target revenues being recorded by [MECO] for these periods.”²²

The Consumer Advocate ultimately argues that calculations that MECO provided in response to informal CA-IR-17, “show that the reduction in the pretax rate of return of 1.51 percent, when applied to the cumulative change in rate base being compensated through the 2017 RAM filing in January through June of

²⁰CA SOP at 18.

²¹CA SOP at 18.

²²CA SOP at 18.

2018 (before the 2018 filed RAM changes are effective) would add \$786 thousand to the \$5.9 million Tax Act calculations [MECO] has improperly limited to the 2012 test year."²³ As such, the Consumer Advocate argues that "[w]hen corrected to account for the cumulative Rate Base growth compensated through RAM increases as of the Company's 2017 decoupling filing, the \$5.9 million value grows to \$6.7 million annually, resulting in an increase in the 'stub' period value from \$2.44 million to \$2.77 million[,] " which changes the Company's proposed RBA Rate Adjustment to 1.8954 cents per kWh.²⁴

In the Companies' Response, they state that they "do not agree with the position taken by the Consumer Advocate to add an additional \$786,000 to the \$5.9 million used in the computation of [2017 Tax Act] adjustment[,] " "as this additional amount represents the approximate tax savings on the cumulative additions to average rate base between 2013 through 2017 included in the 2017 decoupling filing."²⁵ However, the Companies state that "in order to eliminate this as a contentious issue for the 2018 [MECO] RAM Revenue Adjustment, [MECO] is willing to increase the downward adjustment by \$325,000 (for the January 1-May 31 portion of the

²³CA SOP at 19.

²⁴CA SOP at 20.

²⁵Companies' Response, Attachment 1, at 4.

annualized \$786,000), which results in a revised Tax Act reduction of \$2.77 million" ²⁶

After a review of the relevant filings, the commission approves MECO's treatment of the Exogenous Tax Changes in Transmittal No. 18-03, as amended by the Companies' Response filed on May 21, 2018.

c.

MECO: Manele Bay CHP

In the Companies' Response, they note that "subsequent to the filing of Transmittal No. 18-03 on March 29, 2018, mechanical damage was incurred at the Company's CHP Unit at Manele Bay[,] ("CHP unit") adding that "[a]n April 10, 2018 assessment revealed that the engine block and some of the associated drivetrain components on the 1.0 MW Caterpillar diesel engine suffered significant impairment." ²⁷ The Companies note that "Maui Electric is currently unable to operate the CHP System in accordance with the terms of the CHP Agreement and declared a Force Majeure Event[,] " but state that the cost of replacing damaged equipment and putting CHP back online is expected to be less than

²⁶Companies' Response, Attachment 1, at 5.

²⁷Companies' Response, Attachment 1, at 5-6.

\$1.5 million.²⁸ Asserting that "[i]f the project proceeds without significant delays, the CHP may be operational again near the end of 2018[,]" the Companies state that "no adjustment will be made to the 2018 decoupling filing."²⁹

MECO's Transmittal thus requests recovery of revenues for the CHP unit for the full 2018 RAM period, acknowledging that the plant will be out of service for the majority of the 2018 RAM period, but presuming that the unit "may" be operational by the end of 2018.

MECO's RAM Tariff provides that, for purposes of determining the RAM Revenue Adjustment

- i. Plant in Service, Accumulated Depreciation, Accumulated Deferred Income Taxes and Contributions in Aid of Construction ("CIAC") shall be a two-point average of actual recorded balance sheet data at December 31 of the Evaluation Period, plus projected values at December 31 of the RAM Period determined as prescribed in parts (ii) through (v), below.
- ii. Plant in Service shall be quantified by adding to the recorded balances at December 31 of the Evaluation Period, the simple average of Baseline Capital Projects plant additions recorded in the immediately preceding five calendar years, plus the estimated cost of completed Major Capital Projects that are anticipated to be in service by September

²⁸Companies' Response, Attachment 1, at 6.

²⁹Companies' Response, Attachment 1, at 6.

30 of the RAM Period. The cost of Major Capital Projects shall be limited to the dollar amounts previously approved by the Commission, and shall be included at the level of recorded costs if recorded costs are lower than the budget amounts approved by the Commission, and the Commission has not yet reviewed the project costs in a rate case.³⁰

If, but only if, the CHP unit is returned to service by December 31, 2018, the recovery for the CHP unit in MECO's transmittal would be consistent with the intended result of the above-cited RAM Tariff provision.

In light of MECO's assertion that the CHP unit may be in service by the end of the 2018 RAM period, the commission will provisionally allow recovery for the unit as proposed in the Companies' Response. The commission notes, however, that MECO's assertion that the CHP unit "may" be in service by the end of the 2018 RAM period is a tentative statement of possibility, rather than a well-substantiated projection.

As such, MECO shall report to the commission, by January 4, 2019, whether the CHP unit is, in fact, fully restored to service, used, and useful as of December 31, 2018. If the CHP unit is not fully in service on December 31, 2018, revenue recovery allowed for the CHP unit for

³⁰MECO Tariff Sheet: Revised Sheet 96F (emphasis added).

the 2018 RAM period is subject to adjustment and/or refund, as shall be determined and implemented in the disposition of MECO's 2019 Annual Decoupling Transmittal.

d.

HELCO: Final Adjustments in the Companies' Response

In the Companies' Response, they note that "[s]ubsequent to the filing of Transmittal No. 18-02 on March 29, 2018, [HELCO] became aware of certain revisions and updates required for its 2018 decoupling filing."³¹ The Companies detailed the various adjustments made to HELCO's Transmittal No. 18-02 in its Response.³²

B.

Tariff Modifications

In addition to changing the amounts of the RBA Rate Adjustment in the RBA Provision tariff, the Companies proposed changes to the RAM and RBA Tariffs, including (1) insertion of the words "interim or" in the RAM Tariff provisions regarding the RAM Cap and (2) more explicit identification of effective target

³¹Companies' Response at 2.

³²Companies' Response at 2 (noting the various adjustments made, as explained in Attachment 1).

revenue and the derivation of target revenue in the tariff sheets, consistent with the commission's directives in Order No. 35372 in Docket No. 2016-0328.³³

The basis for the insertion of the proposed language in the RAM Tariffs for each Company is discussed in the March 29, 2018 Transmittals by each Company. The Consumer Advocate supports this language in its Statement of Position.³⁴

The commission concurs that the proposed RAM Tariff language amendment³⁵ is consistent with the intent and reasonable function of the RAM Tariff and RAM Cap provisions, is reasonable, and should be approved.

Upon review, the commission also finds that the proposed tariff sheets providing tables showing the identification and derivation of effective target revenues³⁶ are responsive to the commission's directives, are reasonable, and should be approved.

³³Docket No. 2016-0328, Order No. 35372, "Approving Revised Tariff Sheets Filed March 16, 2018," filed on March 29, 2018 ("Order No. 35372").

³⁴CA SOP at 21.

³⁵HECO Transmittal No. 18-01, Attachment 1A, Tariff Sheet 93G; HELCO Transmittal No. 18-02, Attachment 1A, Tariff Sheet 89F; and MECO Transmittal No. 18-03, Tariff Sheet 96G.

³⁶May 29 Filing: Attachment 2, Tariff Sheet 92E; Attachment 3, Tariff Sheet 91E; and Attachment 4, Tariff Sheet 108F.

C.

Changes Effective June 1, 2018

After review of the filings in this matter, the commission approves the following changes to become effective on June 1, 2018:

a.

HECO

The commission approves HECO's proposed RBA Rate Adjustment of 1.0350 cents per kilowatt-hour,³⁷ proposed target revenues of \$612,574,000³⁸ and the RBA and RAM Adjustments supported by the amended Transmittal No. 18-01 calculation workbooks,³⁹ filed on May 29, 2018.

³⁷May 29 Filing, Attachment 2, Tariff Sheet 92D, superseding RBA Rate Adjustment of 0.7116 cents per kWh effective February 16, 2018.

³⁸May 29 Filing, Attachment 2, Tariff Sheet 92E.

³⁹May 29 Filing, Attachment 1A (including SGS revenue recovery) and Attachment 1 (excluding SGS revenue recovery).

b.

HELCO

The commission approves HELCO's proposed RBA Rate Adjustment of 1.0006 cents per kilowatt-hour,⁴⁰ proposed target revenues of \$151,583,000⁴¹ and the RBA and RAM Adjustments supported by the amended Transmittal No. 18-02 calculation workbook,⁴² as amended on May 21, 2018.

c.

MECO

The commission approves MECO's proposed RBA Rate Adjustment of 1.8954 cents per kilowatt-hour,⁴³ proposed target revenues of \$129,404,000⁴⁴ and the RBA and RAM Adjustments supported by the amended Transmittal No. 18-03 calculation workbook,⁴⁵ as amended on May 21, 2018.

⁴⁰May 29 Filing, Attachment 3, Tariff Sheet 91D, superseding RBA Rate Adjustment of 0.6313 cents per kWh effective January 1, 2018.

⁴¹May 29 Filing, Attachment 3, Tariff Sheet 91E.

⁴²Companies' Response, Attachment 3.

⁴³May 29 Filing, Attachment 4, Tariff Sheet 108E, superseding RBA Rate Adjustment of 1.5654 cents per kWh effective February 16, 2018.

⁴⁴May 29 Filing, Attachment 4, Tariff Sheet 108F.

⁴⁵Companies' Response, Attachment 5.

d.

Tariff Modifications

As discussed above, the commission approves the proposed RAM Tariff modifications⁴⁶ and additions to the RBA Tariffs⁴⁷ that were proposed in accordance with Order No. 35372 in Docket No. 2016-0328.

III.

Orders

THE COMMISSION ORDERS:

1. HECO's Transmittal No. 18-01, as amended by HECO's revised Transmittal No. 18-01, filed on May 29, 2018, and HELCO's Transmittal No. 18-02 and MECO's Transmittal No. 18-03, as amended by the Companies' Response to the Consumer Advocate's Statement of Position, filed on May 21, 2018, including the revised RBA Rate Adjustments, target revenues, and tariff sheets provided therein, are approved, as set forth in this Order, and shall go into effect for each of the HECO Companies, respectively, on June 1, 2018.

⁴⁶HECO Transmittal No. 18-01, Attachment 1A, Tariff Sheet 93G; HELCO Transmittal No. 18-02, Attachment 1A, Tariff Sheet 89F; and MECO Transmittal No. 18-03, Tariff Sheet 96G.


⁴⁷May 29 Filing: Attachment 2, Tariff Sheet 92E; Attachment 3, Tariff Sheet 91E; and Attachment 4, Tariff Sheet 108F.

2. The commission approves the proposed RAM Tariff modifications and the additions to the RBA Tariffs that were proposed in accordance with Order No. 35372 in Docket No. 2016-0328.

3. MECO shall report to the commission, by January 4, 2019, whether the Manele Bay CHP unit is, in fact, fully restored to service, used, and useful as of December 31, 2018. If the CHP unit is not fully in service on December 31, 2018, revenue recovery allowed for the CHP unit for the 2018 RAM period is subject to adjustment and/or refund, as shall be determined and implemented in the disposition of MECO's 2019 RBA Review Transmittal.

DONE at Honolulu, Hawaii MAY 31 2018.

PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

By 
Randall Y. Iwase, Chair

By 
Lorraine H. Akiba, Commissioner

APPROVED AS TO FORM:


Caroline C. Ishida
Commission Counsel

By 
James P. Griffin, Commissioner

Transmittal Nos. 18-01, 18-02, 18-03.kmc

CERTIFICATE OF SERVICE

The foregoing order was served on the date of filing by mail,
postage prepaid, and properly addressed to the following parties:

DEAN NISHINA
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